DOCKET NO.: MSFT-0314/164088.01 **PATENT**

Application No.: 09/909,673 **Office Action Dated:** June 7, 2005

REMARKS

Claims 1-46 are pending in this application, all of which stand rejected as a result of the June 7, 2005 Office Action. The sole ground of rejection is that all of the pending claims are anticipated by U.S. Patent No. 5,715,403 (Stefik). Applicant submits that the claims are in condition for allowance, and request reconsideration of the Office Action.

Applicant has responded to three office actions, and in each response has explained the distinctions between the claims in this application and the Stefik reference as applied. Applicant incorporates herein the detailed explanations of those distinctions from the papers previously filed by applicant; while all of those arguments continue to apply to the claims, the detailed explanations are not repeated here. However, the following is a summary of the points previously raised:

- Stefik, as applied, does not teach that one license specifies terms or conditions governing the issuance of an additional license. Applicant has previously raised the point that, in applying Stefik, the Examiner has overlooked the distinction between content *usage* and content *licensing*. (Relates to claims 1, 14, 15, 20, 28, and 38)
- Stefik, as applied, does not teach that collection of a payment is a condition for licensing content. Again, in applying Stefik the Examiner has overlooked the distinction between content *usage* and content *licensing*. (Relates to claims 4, 5, 18, 22, 23, 32, 44, and 45.)
- Stefik, as applied, does not teach that a license is revoked or made unusable as a condition for issuing a different license. (Relates to claims 6, 19, 24, 33, and 46.)
- Stefik, as applied, does not teach that a device receives a license and content and then that device associates the license with the content. The Examiner has overlooked the fact that Stefik teaches that rights and content are attached to each other to begin with, and therefore it is not necessary for the receiving device to later associate content with a license. (Relates to claim 8.)
- Stefik, as applied, does not teach a first license that permits usage on a first device and creation of a second license on a second device, where the second

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license then does not permit creation of a third license for use on a third device. In other words, licensing moves through devices 1 and 2, but does not continue on to an additional (third) device. This structure is not taught in Stefik. (Relates to claim 37.)

While the above-described points are still true about the pending claims, and those points distinguish the claims from the art as applied, applicant wishes to raise an additional point with regard to independent claims 1, 14, 20, 28, and 38. In particular, in each of these claims, the license permits or governs usage of the content only on certain computing devices. In Stefik, as applied, usage rights do not relate to a particular device, but rather govern the usage of a digital work generally. In contrast, in the independent claims of the present application, a given license either permits (or does not permit) or governs (or does not govern) usage of content for a particular device. In particular:

- Claim 1 recites that a first license "that permits access to the first content
 package on a second computing device but not on the first computing
 device" and then "licensing the first content package for use on the first
 computing device in accordance with said one or more terms."
- Claim 14 recites "issuing a license that permits the use of the content package on said first computing device."
- Claim 15 recites "a first license that governs use of the digital content item on said first computing device and that contains: a first term permitting licensure of the digital content item for use on a second computing device different from said first computing device."
- Claims 20 and 28 recites features similar to those quoted above for claim 15.
- Claim 38 recites a first license that permits rendering of content on a first computing device, and a second license that permits rendering of content on a second computing device.

Stefik, as applied, does not show these features. In particular, the Examiner has cited the Abstract, col. 2, ll.21-44, col. 9, ll. 19-31, and col. 44, ll. 33-55 to the above-described aspect of the claims (see rejection of claim 1, paragraph 4 of the office action), and these cited sections do not teach or suggest the above-described features.

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For these reasons, applicants request reconsideration of the office action, and submit that the case is in condition for allowance.

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